Incentives Public Workshop

Amendments to the Carl Moyer Program and to the Prop 1B Goods Movement Emission Reduction Program

January 11, 2011 – Sacramento

Air Resources Board











Program Background and Purpose of Changes

- Carl Moyer Program Background
- Purpose of changes
 - Align with the recent regulatory changes to the truck and off-road regulation
 - Expand funding opportunities to regulated fleets
 - Continue efforts to streamline requirements

Increasing Funding Opportunities

- Modify surplus methodology
 - Still meet statutory obligation
- Expand funding for regulated fleets
 - Remove "One-shot" deal
 - Fleets must verify early compliance
- Obtain Board direction on policy overlays

Change in Surplus Methodology Provides More Opportunities

Off-Road Medium Fleet

Current Methodology: Final Funding Opportunities		
First Compliance Date	Final Compliance Date	Last Funding Date
January 1, 2017	January 1, 2023	December 31, 2013
Proposed Methodology: Final Funding Opportunities		
First Compliance Date	Final Compliance Date	Last Funding Date
January 1, 2017	January 1, 2023	December 31, 2019

On-Road Eligibility Expands

- Small fleets (3 or fewer trucks)
 - GVWR > 26,000: PM to 2014; NOx to 2021
 - GVWR ≤ 26,000: PM and NOx to 2021
- Fleets of 4 10 trucks
 - GVWR > 26,000: No PM; NOx to 2020
 - GVWR ≤ 26,000: PM and NOx to 2020

On-Road Eligibility Expands Con't

Special Provision Trucks:

- Log trucks (following BACT % Schedule)
 - PM and NOx to 2020
- NOx exempt
 - PM to 2014; NOx to 2020

Off-Road Eligibility Expands

- Eligible projects based on BACT % requirements
- Small Fleets:
 - Funding available through 2025
 - 2 year surplus
- Larger/Medium Fleets
 - Funding available through 2019
- Large fleets: only filter based projects eligible after 12/31/2012
- Retrofit waiver allowed for all equipment
- New load factors: Impacts both 2008 and proposed 2011 Guidelines

Proposed Off-Road VIP

- Replace uncontrolled ag tractors, construction tractors, loaders, backhoes less than 175HP
- Open to medium fleets through 2013
- Open to small fleets through 2016
- Funding proposed for new:
 - Tier 4 (interim, alt NOx, phase-in/phase-out, and final)
 - Tier 3 through 2012
- Retrofits to be included in VIP in future

Draft Voucher Amounts for Off-Road VIP Available

- On website/handout
- Voucher cap varies based on typical equipment cost
 - Voucher amount based on hourly usage and HP
 - Farm equipment less costly than construction so lower max, but requires lower usage for equivalent grant amount

Proposed Administrative Changes

- 2011 Guidelines Enforceable as a regulation
- Include AB1507 language that allows Greenhouse Gas funds to be combined with Carl Moyer Program funds
- Grantee commitment of no less than 15% of incremental cost for funds related to Greenhouse Gas exemption

Contacts

- Retooling Homepage: <u>http://www.arb.ca.gov/msprog/moyer/retooling.htm</u>
- Submit written comments to: <u>cmretool@arb.ca.gov</u>
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